

CENTRAL INTELLIGENCE AGENCY

Memorandum of Conversation

DATE: 24 July 1958
2:00 to 3:35 P.M.

SUBJECT : Actuarial Studies in Support of Proposed
Agency Retirement System

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PARTICIPANTS: [REDACTED] Washington, D. C., and [REDACTED] Deputy Director of
25X1A9a Personnel for Planning and Development

COPIES TO : Col. White

~~TO NO. [REDACTED] BOX NO. [REDACTED] FLD NO. [REDACTED] DOC. NO. 3 NO CHAN~~
~~IN CLASS/ [REDACTED] /CLASS CHANGED TO: IS S C RET. JUST~~
~~NEXT REV DATE /0 REV DATE / [REDACTED] REVIEWER 029725 TYPE DOC~~
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1. [REDACTED] and I discussed the next steps in preparing the statistical material in support of the retirement study. In brief, the Civil Service Retirement Fund has not been officially valued by the Civil Service Commission since 1940. One reason for this could be that the CSC does not have on its staff persons who are regarded as fully qualified actuaries competent to make such a valuation. The Kaplan Committee (Committee on Retirement Policy for Federal Personnel) did, however, apparently make an authoritative and competent valuation of the Civil Service Retirement System in connection with its studies in 1954. Their valuation was reported on by the Board of Actuaries of the Civil Service Retirement and Disability Fund in their 34th Annual Report of Fiscal Year 1954 which was prepared in 1956.

2. The material which has been published in connection with the Kaplan Report which is in the Annual Report of the Board of Actuaries is sufficient to enable the [REDACTED] actuaries to compute the necessary tables, commutation functions, factors and statistical criteria for valuating a CIA system for retirement. The computation, however, would be extremely arduous and would involve many man hours. [REDACTED] therefore, asked if we could obtain the background calculations which would permit the [REDACTED] to value the proposed CIA system in exactly the same terms and on a comparable basis with the most recent valuation of the CS Retirement Fund. If these tables can be obtained from the CSC much money will be saved and the cost of the proposed CIA Retirement System would be comparable to figures used in computing the cost of the present CS Retirement System. In addition, if the CSC will assist CIA by providing format of work sheets and format for the preparation of data sheets used for valuations, the [REDACTED] can then use these for assembling and presenting the actuarial data in a manner which will be comparable to that already in existence. [REDACTED] advised that Mr. Brown of the CSC could provide this data.

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Continuation:

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3. Since it would be preferable for the actuaries of the [REDACTED] to be in direct contact on matters as technical as these with those persons concerned with actuarial problems in the CSC, it was agreed that I would transmit to the CSC the statement of desiderata of the [REDACTED] to the appropriate persons in the CSC with the suggestion that if the latter desired to meet with the actuaries of the [REDACTED] I would arrange such a meeting so that there would be no chance of technical material being misinterpreted by the technicians of the CSC and of the [REDACTED]

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4. Accordingly a meeting has been arranged by the undersigned with Mr. Warren Irons, Executive Director of the CSC and Mr. Andrew Ruddock, Chief, Retirement Division for Wednesday at which time discussions on retirement with the CSC will be initiated. Attached is "Factors, Criteria and Procedures for Evaluating a Retirement System in Comparison with the Civil Service Retirement System," dated July 28, 1958, which will be handed to Messrs. Irons and Ruddock.

JB

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[REDACTED]
Deputy Director of Personnel
for Planning and Development

Attachment